

SUPERVISOR OF ASSESSMENTS
OF BALTIMORE COUNTY

Petitioner

v.

IGLESIA DE DIOS HISPANA DE
OWINGS MILLS

Respondent

* IN THE
* MARYLAND TAX COURT

*
* Case No. 19-MI-BC-0296

*

*

*

*

MEMORANDUM AND ORDER

In the present case, the Supervisor of Assessments of Baltimore County (hereinafter “Petitioner” or “Supervisor”), has appealed the decision of the Property Tax Assessment Appeal Board of Baltimore County granting a tax exemption to Iglesia De Dios Hispana De Owings Mills (hereinafter “Respondent” or “Iglesia”). The facts of this case are undisputed. The Respondent, a church, purchased the subject property via a deed dated June 29, 2018, and recorded among the Land Records on September 18, 2018. The Respondent applied for a religious property tax exemption under Tax-Property Article, § 7-204 on August 24, 2018. The Supervisor granted the exemption for the tax year beginning July 1, 2019. The Respondent contends that the exemption should apply for the tax year beginning July 1, 2018.

By letter dated January 22, 2019, the Petitioner notified the Respondent that although its application had been approved, the exemption would not go into effect until July 1, 2019, as

opposed to July 1, 2018. The reason given was that the Deed was not recorded until September 18, 2018, and thus the Respondent was “not eligible for the exemption for July 1, 2018.”

The Respondent appealed this decision to the Property Tax Assessment Appeal Board for Baltimore County. The Property Tax Assessment Appeal Board for Baltimore County reversed the Supervisor and approved the exemption as of July 1, 2018, by Order dated April 1, 2019.

The requirements for a property to be exempt from property tax pursuant to Tax-Property Article §7-204 are (1) that the property is owned by a religious group or organization and (2) that the property is used exclusively for public religious worship, as a parsonage or convent, or for educational purposes. The parties are in agreement that the Respondent is a religious organization and that the property meets the religious use requirements of the statute. The sole question is the effective date of the property’s exemption, to wit, July 1, 2018 or July 1, 2019.

The Respondent contends that it was the owner of the property under Maryland law as of June 29, 2018, and therefore also satisfies the requirement that the property be “owned by a religious group or organization as of June 30, 2018. The language set forth in Tax-Property Article § 7-204 provides that a religious property is exempt from tax when it is “owned” by a religious group or organization and used for a religious purpose. The language does not reference the date of transfer on the assessment roll or any such additional requirement or standard. The Deed was delivered on June 29, 2018, and once that delivery was accomplished, the Respondent became the owner of the property.

When the Deed was recorded on September 18, 2018, its effectiveness related back to the date of the deed. In *Washington Mut. Bank v. Homan*, 186 Md. App. 372, 400 (2009), the Court concluded that when one acquires title to property in good faith, without constructive notice of

other claims, and for consideration, and then records the deed at a later date, the deed is effective as of the date of delivery. Upon receipt of the Deed on June 29, 2018, the Respondent had good legal and rightful title to the property. The recording of the Deed on September 18, 2018, perfected that title as to any bona fide purchasers without notice.

Petitioner avers that the date of recordation is the date when a grantee owns the property for property tax purposes, but the recording of the deed merely provides the Supervisor of notice of the date of transfer of title as reflected on the deed. Tax-Property Article § 7-204 explicitly uses the term “date of transfer” to determine the date on which the abatement of tax under the exemption should begin and end. Tax-Property Article § 7-204(e) provides that when “a property is sold and the property is no longer entitled to an exemption, the property tax is payable for the remainder of the taxable year *from the date of transfer.*” There is no language in Tax-Property Article §§ 7-104 or 7-202 indicating that the term “date of transfer” has a different meaning in the context of coming into ownership of a property than it does for terminating ownership of a property. If the date of the deed determines ownership for purposes of ending an exemption, then that date must also establish ownership for a property “becoming exempt.”

Tax-Property Article § 7-104 clearly provides that the “date of transfer” means the date on which a property is sold to a transferee and not the date a deed is recorded. The Petitioner had legal and rightful title to the property as of June 29, 2018, in the form of the delivered deed which after recording took priority over all claims to the property as of the date of delivery.

Accordingly, this 16th day of Sept, 2021, the Maryland Tax Court affirms the decision of the Property Tax Assessment Appeal Board for Baltimore County in its Order dated April 1, 2019, approving the exemption for the property as of July 1, 2018.

CC: Alexander H. Bushel, Esq.
William K. Hammond, Esq.
Julie Greene, Administrator

CERTIFIED TRUE COPY
TEST: John T. Hearn, Clerk

NOTICE: You have the right of appeal from the above Order to the Circuit Court of any County or Baltimore City, wherein the property or subject of the assessment may be situated. The Petition for Judicial Review **MUST** be filed in the proper Court within thirty (30) days from the date of the above Order of the Maryland Tax Court. Please refer to Rule 7-200 et seq. of the Maryland Rules of Court, which can be found in most public libraries.